PUBLIC NOTICE

08-04

AQUATIC RESOURCE ALTERATION PERMITS

TN DEPT OF ENVIRONMENT & CONSERVATION DIVISION OF WATER POLLUTION CONTROL MINING SECTION 3711 MIDDLEBROOK PIKE KNOXVILLE, TN 37921-6538 Fax # 865-594-5253

ISSUE DATE October 10, 2008

EXPIRATION DATE November 10, 2008

TO WHOM IT MAY CONCERN: Enclosed are current public notices of permit applications, notice of individual permit decisions, and/or announcement of public hearings or meetings. Public comment and participation are encouraged on all of these issues.

The applications described herein have been submitted for Aquatic Resource Alteration Permits under *The Tennessee Water Quality Control Act of 1977*, T.C.A. §69-3-108. In addition, federal permits may be required from the U. S. Army Corps of Engineers or from the Tennessee Valley Authority under §404 of the *Clean Water Act* and §26a of the *Tennessee Valley Authority Act*, respectively. Section 401 of the *Clean Water Act* requires that an applicant obtain a water quality certification from the state when a federal permit is required. This notice may cover applications subject to §401 or navigation permitting (Rule 1200-04-08).

The purpose of this notice is to inform interested parties of this permit application and to ask for comments and information necessary to determine possible impacts to water quality. Persons wishing to comment on a proposal are invited to submit written comments to the department. Written comments must be received within **thirty days of the date that this notice is posted**. Comments will become part of the public record and will be considered in the final decision. The applicant's name and permit number should be referenced.

The permit application, supporting documentation including detailed plans and maps, and related comments are available for review and /or copying at the department's mining section.

Interested persons may also request in writing that the department hold a public hearing on an application. The request must be filed within the comment period, indicate the interest of the person requesting it, and the reasons that the hearing is warranted, and the water quality issues being raised. When there is sufficient public interest in water quality issues, the department will hold a hearing in accordance with Rule 1200-4-1-.04(4)(f).

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In deciding whether to issue or deny a permit, the department will consider all comments of record and the requirements of applicable federal and state laws. In making this decision, a determination will be made regarding the potential lost value of the resource compared to the value of any proposed mitigation. The department shall consider practicable alternatives to the alteration. The department shall also consider loss of waters or habitat, diminishment in biological diversity, cumulative or secondary impacts to the water resource, and adverse impact to unique, high quality, or impaired waters.

The Tennessee Department of Environment and Conservation is committed to principles of equal opportunity, equal access and affirmative action. Contact the EEO/AA Coordinator at 1-888-867-7455 or the ADA Coordinator at 1-866-253-5827 for further information. Hearing impaired callers may use the Tennessee Relay Service (1-800-848-0298).

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PUBLIC NOTICE

PERMIT APPLICATION: NR08MS.024

APPLICANT: Mr. Danny R Chambers

DRC Coal, LLC

1170 Rock Creek Ridge Road

Clairfield, TN 37715

LOCATION: Near White Oak community in Campbell County, Tennessee at N36.51028 latitude, and W83.99917 longitude.

WATERSHED DESCRIPTION: Clear Fork Cumberland River watershed (HUC 05130101). The affected waters are located in the Cumberland Mountain Thrust Block ecoregion and include unnamed tributaries to White Oak Creek and Tackett Creek. A Total Maximum Daily Load (TMDL) has been completed for siltation and habitat alterations for the Clear Fork Cumberland River. White Oak Creek is listed as impaired waters. No stream and wetland alterations are to occur in the White Oak Creek watershed. Tackett Creek is not listed as impaired. White Oak Creek and Tackett Creek are not identified as Exceptional Tennessee Waters.

PROJECT DESCRIPTION: DRC Coal, LLC, has applied for an Individual Aquatic Resource Alteration Permit for alterations associated with coal mining related activities. All proposed stream alterations are associated with tributaries to Tackett Creek. No stream alterations are proposed in the White Oak Creek watershed.

The total surface mine area proposed is 412.5 acres. There are approximately 1100 linear feet of stream alterations proposed. These streams have been altered by pre-SMCRA mining related activities. DRC Coal, LLC, proposes a 3:1 mitigation ratio that achieves no net loss of resource. This is to be achieved by restoration and enhancement of previously altered stream reaches onsite following the *Stream Mitigation Guidelines for the State of Tennessee*. The construction of stream reconstruction reaches are to be completed contemporaneously with the backfilling and grading. The mitigation includes the restoration of stream channels that have been diverted and filled by pre-SMCRA mining in the vicinity of the proposed ponds 222A and 222B. This mitigation reach is to be restored during reclamation.

There are approximately 1.23 acres of wetland alterations proposed in the Tackett Creek watershed. These wetlands are artifacts of pre-SMCRA mining related alterations to the existing hydrology. DRC Coal, LLC, proposes in-kind mitigation to achieve no net loss of resource value or function. Specific treatment structures (ponds) are to be converted to approximately 13.5 acres of wetlands during reclamation of the site. All treatment ponds except structures 213, 214, 222A and 222B will be converted wetlands. The wetland mitigation ratio proposed is in excess of 10:1.

USGS TOPOGRAPHIC QUADRANGLE: Eagan 144 SW

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Permit Coordinator: Dave Turner

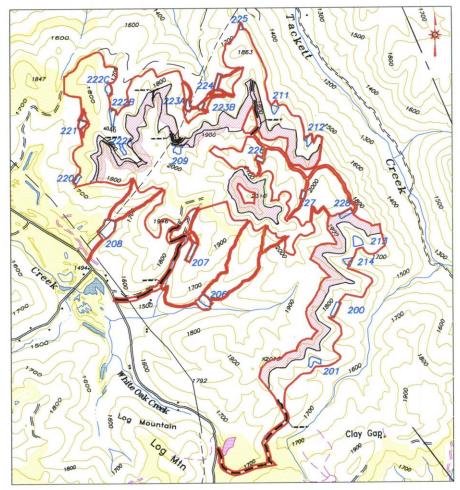
No decision has been made whether to issue or deny this permit. The purpose of this notice is to inform interested parties of this permit application and to ask for comments and information necessary to determine possible impacts to water quality. Persons wishing to comment on the proposal are invited to submit written comments to the department. Written comments must be received within **thirty days of the date that this notice is posted**. Comments will become part of the public record and will be considered in the final decision. The applicant's name and permit number should be referenced.

Interested persons may also request in writing that the department hold a public hearing on this application. The request must be filed within the comment period, indicate the interest of the person requesting it, and the reasons that the hearing is warranted, and the water quality issues being raised. When there is sufficient public interest in water quality issues, the department will hold a public hearing.

The permit application, supporting documentation including detailed plans and maps, and related comments are available for review and/or copying by appointment during business hours at the following address:

ATTN: Tina E. Jones (865-594-6035)
TN DEPT OF ENVIRONMENT & CONSERVATION
DIVISION OF WATER POLLUTION CONTROL
MINING SECTION
3711 MIDDLEBROOK PIKE
KNOXVILLE, TN 37921-6538

In deciding whether to issue or deny a permit, the department will consider all comments of record and the requirements of applicable federal and state laws.



TITLE: Location Map
AREA #: White Oak Surface Mine
SURFACE & MINERAL RIGHTS:
Ataya Hardwoods, LLC (S), WPP, LLC (M),
Clearfork Mining Company (F), J.J.
Evans Heirs (F), Curtis Marlowe, (F),
Katherine Ellison (S), and Lydia Demski (M)
ACREAGE: See Mining Operations Map
COUNTY: Campbell
Quadrangle: Jellico East and Eagan, TN-KY
(4157 II SE) (4257 III SW)
LATITUDE: 36° 30' 37"
LONGITUDE: 83° 59' 57"
DATE: 6/30/2008
Prepared by:
Mark V Mining and Engineering, Inc.
353 North Cullom Street
Clinton, Tennessee 37716
(865) 457-1664

Permit Area

Sediment Basin

SCALE:

0' 1000' 2000' 3000'

Prepared for: DRC Coal, LLC 7692 South Highway 25W Williamsburg, Kentucky 40769 (606) 524-4919

PUBLIC NOTICE

PERMIT APPLICATION: NR08MS.031

APPLICANT: Mr. W. Richard McClellion, Managing Member

Davis Creek Energy, LLC 207 E. North 1st Street, Suite T

Seneca, SC 29678

LOCATION: Near Duff in Campbell County, Tennessee at N36.495278 latitude, and W84.0325 longitude.

WATERSHED DESCRIPTION: Clear Fork Cumberland River watershed (HUC 05130101). The affected waters are located in the Cumberland Mountain Thrust Block ecoregion and include Wolf Branch, unnamed tributaries to Wolf Branch and Hogcamp Branch. These streams are tributaries to Davis Creek. The receiving streams are not listed as impaired waters. Davis Creek is identified as Exceptional Tennessee Waters.

PROJECT DESCRIPTION: Davis Creek Energy, LLC, has applied for an Individual Aquatic Resource Alteration Permit for alterations associated with coal mining related activities. Mitigation activities are designed to achieve no net loss of resource value for the proposed activities. The ARAP activities as proposed are "de minimis".

The total surface disturbance proposed is 390 acres. Approximately 3,380 linear feet of stream alterations are proposed. These streams have been altered by pre-SMCRA mining related activities. New cuts within the ARAP stream reaches will be minimized to 200 feet or less. Davis Creek Energy, LLC, proposes mitigation at 3:1 (10,599 linear feet). The mitigation includes the restoration of stream channels that have been eliminated, diverted and filled by pre-SMCRA mining on the Log Mountain and Rich Mountain coal seam elevations. No net loss of resource is to be achieved by restoration and enhancement of approximately 14,189 linear feet of previously altered stream reaches on-site following the *Stream Mitigation Guidelines for the State of Tennessee*. The applicant proposes to exceed their mitigation goal by 3590 linear feet of stream restoration and enhancement.

Stream mitigation reaches are to be constructed to approximate conditions exhibited at specific reference stream reaches. There are corresponding reference reaches for each coal seam elevation (Log Mountain and Rich Mountain). Construction of the stream reconstruction reaches are to be completed contemporaneously with the backfilling and grading. One minimally disturbed stream reach (D13) on the Log Mountain coal seam is to be skipped by mining related activities except for a discrete crossing. Existing disturbance at the Log Mountain coal seam elevation is limited to the existing access road disturbance.

The plan indicates ponds 003, 004, 005, 006, 007, 008, 009, 010, 011 are to be developed post mining as riparian wetlands. These riparian wetlands will be located within the flood prone area

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and be hydraulically connected to adjacent stream reconstruction reaches. Temporary stream diversions will be used at the Rich Mountain coal seam elevations to segregate the upslope drainage from ponds 007, 008 and 009 during active mining in these reaches. During backfilling and grading the final reconstruction stream channel will be constructed and extend adjacent to the appropriate pond. Post reclamation the ponds will be developed as riparian wetlands by adjusting the water level and pond embankments. The pond spillways will be sized and constructed to prevent erosion and convey precipitation induced flow from the wetlands to the stream.

USGS TOPOGRAPHIC QUADRANGLES: Jellico East 338 SE and LaFollette 136 NE

Permit Coordinator: Dave Turner

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